

A new battle for banking talent takes off in China

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Alipay Wallet mobile app

A raft of new internet finance companies in China are opening up job opportunities for banking professionals who would have previously been limited to working for a state-owned institution.

Like the fintech challengers shaking up the financial system in the West, the likes of online payment system Alipay, Yu'E Bao (an online money market fund provided by Alibaba) and peer to peer platform Creditease are challenging the dominance of government-run domestic banks.

Not surprisingly, by looking inwards for talent, internet finance firms in China have started stealing people away from the banks: "It's inevitable that internet companies are poaching talent from traditional banks," says Katherine Li, a consultant from Shanghai-based ZW HR Consulting, who specializes in internet finance.

Practically speaking, this means that certain profiles in personal banking are suddenly very popular. Product managers who can devise new offerings to help individual investors produce better returns are wanted by both banks and internet finance companies, as are marketing managers who can help these products stand out from the crowd.

But there's a limited supply of these candidates and many are moving for a 20% uplift in salary, plus potentially lucrative stock options in the internet finance firms and a bonus of 3-8 months' salary: "On average, those who want to move to Internet companies were earning between RMB300-400k a year already before the move," Li says.

However, higher pay and potentially lucrative stock options don't immediately solve the problem of under-supply, so these internet companies are sometimes "forced to rely on internal transfers and training," says Lesley Li, founder of Shanghai-based Matrix Search, an executive search firm.

Digital innovators are forcing banks to play catch up when it comes to technology. Fintech is one of the hottest areas in the financial sector currently, with many large banks having to use their financial sway – through incubator funds to develop start-ups, or simply buying them – in order to compete. In China currently, a lot of the online finance offerings are also coming from these internet firms, rather than the banks.

Li of ZW HR suggests that despite gravitation of staff away from the large banks, the large number of graduates still queuing up to join the banks means that they're not overly concerned about it just yet. Banks still provide a relatively stable working environment and high salary. "Only those who want to take up new challenges will leave for Internet companies," Li says.